

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

MEYNARD DESIGNS, INC. AND EARTH
VISIONS INC.,

Plaintiffs,

v.

EARTH PRODUCTS, INC.,

Defendant.

CIVIL ACTION NO. 05 CV 11781 NMG

JOINT STATUS REPORT

Pursuant to the May 15, 2006 request from the Court, the Parties submit the following joint status report:

The Parties to this action are also parties to a proceeding in the Western District of Washington, Civil Action No. 05-CV-1326 (“Washington Action”). Meynard Designs, Inc. (“Meynard”), as a defendant in that action filed a motion to dismiss the case asserting lack of personal jurisdiction, venue, and arguing that the case was improperly filed during settlement negotiations, or in the alternative to transfer the case to the District of Massachusetts. As the Washington Action is the first filed case and the claims of the Parties in that action and this action are expected to overlap, Meynard and Earth Visions Inc. (“Earth Visions”) consented to Earth Products Inc.’s (“Earth Products”) motion to extend the deadline to answer the complaint in this action until after the Western District of Washington decides whether to dismiss or transfer the Washington Action. This Court granted Earth Products’ motion on October 11, 2005.

On October 17, 2005, the Western District of Washington granted Earth Products’ request for jurisdictional discovery, and postponed consideration of Meynard’s motion to dismiss or

transfer. Since that time, jurisdictional discovery has taken place, but the Parties have also been negotiating in an attempt to settle the multiple disputes between the Parties. The Parties had settlement conferences in October 2005 and January 2006. In addition, the Parties have exchanged draft settlement agreements. Most recently, on May 9, 2006, the Parties' attorneys met to discuss the most recent draft of the agreement. The agreement has proved to be quite difficult to finalize, due to the complexity of the situation and the fact that it encompasses disputes in a number of countries, including Canada, Brazil, Australia and the European Union. The Parties remain hopeful that the case will be settled.

In the meantime, the Western District of Washington has noticed Maynard's motion to dismiss the Washington Action for a hearing on June 9, 2006. It is expected that a decision on that motion will be rendered shortly after June 9, 2006. Earth Products will notify the Court of the Western District of Washington's decision on the motion, as set forth in its October 5, 2006 request for extension. Following a decision by the Western District of Washington, the Parties will also provide to the Court a joint status report, including a report as to whether the matter has been successfully settled and what, if any issues remain to move forward in this District.

Respectfully submitted,

Earth Products, Inc., <i>By its attorney,</i> <u>/s/ Steven M. Bauer</u> Steven M. Bauer, Esq. BBO #542531 PROSKAUER ROSE LLP One International Place Boston, MA 02110 (617) 526-9600	Meynard Designs, Inc. And Earth Visions Inc. <i>By its attorneys,</i> <u>/s/ Laura Topper</u> Michael Albert, BBO # 558566 malbert@wolfgreenfield.com Laura Topper, BBO # 652364 ltopper@wolfgreenfield.com WOLF, GREENFIELD & SACKS, P.C. 600 Atlantic Avenue Boston, Massachusetts 02210 (617) 646.8000
Dated: May 19, 2006	Dated: May 19, 2006

CERTIFICATE OF SERVICE

I certify that this document is being filed through the Court's electronic filing system, which serves counsel for the other parties who are registered participants as identified on the Notice of Electronic Filing (NEF). Parties who do not have counsel registered are being served by first class mail on the date of electronic filing.

/s/ Laura Topper